

107TH CONGRESS  
1ST SESSION

# S. 227

To amend the Federal Deposit Insurance Act with respect to municipal deposits.

---

## IN THE SENATE OF THE UNITED STATES

JANUARY 31, 2001

Mr. TORRICELLI (for himself, Mr. JOHNSON, and Mr. FEINGOLD) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

## A BILL

To amend the Federal Deposit Insurance Act with respect to municipal deposits.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Municipal Deposit In-  
5       surance Protection Act of 2001”.

6       **SEC. 2. FDIC INSURANCE OF MUNICIPAL DEPOSITS.**

7       Section 11(a)(2) of the Federal Deposit Insurance  
8       Act (12 U.S.C. 1821(a)(2)) is amended by adding at the  
9       end the following:

10       “(C) MUNICIPAL DEPOSITORS.—

1           “(i) IN GENERAL.—Notwithstanding subpara-  
2       graph (A), the deposits of an in-State municipal de-  
3       positor at an insured depository institution shall be  
4       insured in an amount equal to the total amount of  
5       those deposits.

6           “(ii) DEFINITIONS.—In this subparagraph—

7               “(I) the term ‘in-State municipal depositor’  
8       means a municipal depositor that is located in  
9       the same State as the office or branch of the  
10      insured depository institution at which the de-  
11      posits of that depositor are held; and

12              “(II) the term ‘municipal depositor’ means  
13      a depositor described in any of clauses (i)  
14      through (v) of subparagraph (A).”.

○